

WORLD CUSTOMS ORGANIZATION ORGANISATION MONDIALE DES DOUANES

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HARMONIZED SYSTEM REVIEW SUB-COMMITTEE

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O. Eng.

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POSSIBLE AMENDMENTS TO THE STRUCTURED NOMENCLATURE TO HEADING 90.30 (PROPOSAL BY THE **US** ADMINISTRATION)

(Item III.A.20 on Agenda)

Reference documents:

NRO252E1 (RSC/25) NR0265E3, Annex D/11 (RSC/25 - Report) NRO290E1 (RSC/26)

I. BACKGROUND

- 1. At its 25th Session, the Sub-Committee concluded its discussion on possible amendments to the structured nomenclature to heading 90.30 by agreeing to re-examine the proposal to remove "without a recording device" from the description of subheading 9030.3 and to delete subheading 9030.83, at its next session, on the basis of additional statistical information to be supplied by the US Administration.
- 2. On 10 July 2002, the Secretariat received the following note from the US Administration.

II. <u>FURTHER COMMENTS FROM THE US ADMINISTRATION</u> REGARDING ITS PROPOSAL FOR HEADING 90.30

3. "During its 25th Session, the Sub-Committee agreed to the proposal by the United States to remove the reference to cathode-ray technology for subheading 9030.20, recognizing that other display technologies (i.e., liquid crystal) are replacing cathode-ray for displays in scientific equipment.

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- 4. The United States had also proposed to delete those distinctions in heading 90.30 that are based on an instrument's ability to record its measurements over time. This would involve (1) removing the expression "without a recording device" from subheading 9030.3 and (2) deleting subheading 9030.83. The Sub-Committee was interested in obtaining further justification, including trade statistics, to assist it in its consideration of the proposal.
- 5. The following table contains trade data regarding the HS lines to which we referred in the previous paragraph (values are for 2001, in thousands of US\$):

HS	Brief Description	US	US
		Imports	Exports
9030.31	Multimeters without a recording device	49,300	61,186
9030.39	Other devices for measuring or checking voltage, current, resistance or power, not incorporating a recording device	241,151	555,421
9030.83	Other instruments, with a recording device	113,377	416,266

- 6. There is no doubt that these categories represent sizeable amounts of trade. However, our proposal was not based on trade volume. Trade and industry representatives urged us to seek this change in the Nomenclature because the current distinction based on recording ability is not considered a major distinction worthy of an international classification scheme. The distinction is becoming even less important in an automated environment where measurements are not recorded inside the measuring device but instead are transmitted by the measuring device to a remote computer, where they are recorded and analysed.
- 7. It is much more important, for industrial origin, trade and marketing purposes, to consider the functional design of the apparatus rather than whether it includes a recording feature. The continued existence of subheading 9030.83 causes many instruments for measuring or checking voltage, current, resistance or power to be grouped together with instruments for measuring or checking other electrical quantities, merely because they include a recording function. The trade feels, and we agree, that complete coverage for *all* instruments and apparatus for measuring or checking voltage, current, resistance or power should be provided in subheading 9030.3.
- 8. As for the result of the **US** proposal on subheading 9030.83, articles of that subheading that measure or check voltage, current, resistance or power would move to subheading 9030.3 with similar devices, and those that measure or check other phenomena would move to subheading 9030.89."

III. <u>SECRETARIAT COMMENTS</u>

9. Due to its recent arrival, the Secretariat has reproduced the **US** note without comment.

IV. CONCLUSION

10. The Sub-Committee is invited to take account of the above comments from the US Administration when it examines this agenda item.
